

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION  
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In the Matter of	)	
	)	
Review of the Commission's	)	MM Docket No. 94-150
Regulations Governing Attribution	)	
of Broadcast and Cable/MDS Interests	)	
	)	
Review of the Commission's	)	MM Docket No. 91-221
Regulations Governing	)	
Television Broadcasting	)	

**REPLY COMMENTS OF LOCKWOOD BROADCASTING, INC.**

Lockwood Broadcasting, Inc. ("Lockwood") submits these Reply Comments in the above-referenced proceedings.<sup>1</sup> In support thereof, Lockwood respectfully states as follows:

**I.**

**Introduction**

Lockwood is a privately-owned Virginia corporation and is the licensee or ultimate owner of Low Power Television ("LPTV") Stations W62CH (ch. 62), Hampton, Virginia; W52BH, (ch. 51) (Hampton, Virginia; WPEN-LP (ch. 68), Hampton, Virginia; W44BP (ch. 44), Petersburg, Virginia; and W42BP (ch. 42), Richmond, Virginia. In addition, Lockwood, through its subsidiary, Channel

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<sup>1</sup> *Notice of Proposed Rule Making*, MM Docket No. 91-221, FCC 96-437 (Released: November 7, 1996) ("National TV Notice"); *Second Further Notice of Proposed Rule Making*, MM Docket No. 91-221 (Released: November 7, 1996) ("Local TV Second Further Notice"); and *Further Notice of Proposed Rule Making*, MM Docket No. 94-150, FCC 96-436 (Released: November 7, 1996) ("Attribution Further Notice").

No. of Pages: 629  
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49 Acquisition Corporation, is the proposed assignee of UHF Television Station WJCB (ch. 49), Norfolk, Virginia.

Lockwood submits these Reply Comments in order to support the liberalization of the Commission's attribution and local television multiple ownership rules. Lockwood believes that the modification of the existing ownership rules will foster new and innovative video programming which will result in better service to the public. Lockwood's experience in owning and operating multiple LPTV stations in the Tidewater market is instructive.<sup>2</sup> The ability to own several stations in one market has allowed Lockwood to make efficient use of its resources to provide innovative and informative programming that would not have been possible without the economies of scale occasioned by multiple ownership. These benefits should also be available to the owners of full-power stations.

## II. The Local Multiple Ownership Rules Should Be Liberalized

### A. Market Definition

In its *Local TV Second Further Notice*, the Commission tentatively concludes that the duopoly rule should permit common ownership of television stations in different "Designated Market Areas" (DMAs) as long as the Grade A signal contours do not overlap.<sup>3</sup> The Commission

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<sup>2</sup> The Commission's multiple ownership rules do not apply to LPTV stations. See Commission Rule § 74.732(b), 47 C.F.R. § 74.732(b).

<sup>3</sup> *Local TV Second Further Notice* at ¶ 13.

states that the proposed standard "may more accurately reflect a television station's geographic market and may further our diversity and competition goals."<sup>4</sup>

The commenters in this proceeding are nearly uniform in their agreement that the existing Grade B standard is not reflective of the economic market in which television stations compete and results in arbitrary and unnecessary restrictions on ownership. Lockwood concurs with this assessment. The DMA standard proposed by the Commission more accurately reflects a station's economic and geographic market.

Lockwood, however, supports the approach advocated by the LSOC and many other commenters which would permit common ownership of television stations in separate DMAs regardless of contour overlap, as well as common ownership of stations in the same DMA with no Grade A overlap.

### C. Waiver Policy

Lockwood agrees with the comments of the LSOC and many others in this proceeding that the Commission should allow waivers of the duopoly rule for UHF combinations and, in special circumstances, VHF combinations.

The record in this proceeding is replete with evidence concerning the competitive state of today's video programming marketplace.<sup>5</sup> The reality of today's video programming marketplace

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<sup>4</sup> *Id.*

<sup>5</sup> See, e.g., Comments of Blade Communications, Inc. at 4 ("restating the obvious to recite the vast differences between the television industry of 1964 when the rule was adopted and the multichannel video marketplace of 1997"); Comments of CBS, Inc. at 4 ("broadcasters today face a daunting array of competitive challenges"); Comments of The Local Station Ownership Coalition at 34 ("What was once a virtual monopoly for local broadcasters . . . has felt the ravages of this new and ever-expanding

is that broadcasters are faced with ever greater competitive challenges from competitors who do not operate under the same ownership restrictions that pertain to television broadcasters. Lockwood believes that the appropriate constraints on local television ownership are those constraints set by applicable antitrust law and public interest review.

Lockwood supports the waiver policy advocated by the LSOC in its Comments. The LSOC advocates an exception to the duopoly prohibition for UHF-UHF and UHF-VHF ownership in a single market.<sup>6</sup> This exception is appropriate in light of the practical and technical limitations on UHF service. In its Comments, LSOC describes the disadvantages faced by UHF stations compared with that of VHF stations, including smaller coverage, audiences, and revenues.<sup>7</sup> Lockwood agrees that because of these disadvantages combinations involving UHF stations do not present a material risk of harm to competition or the public interest.<sup>8</sup>

D. Attribution of LMAs

Lockwood supports the proposals of the LSOC to (1) grandfather all LMAs permanently; (2) permit renewal and transfer of all grandfathered LMAs; and most, importantly, (3) continue to permit LMAs regardless of changes in the attribution or ownership rules. In general, LMAs allow stations to maximize the use of their available resources so that they may provide efficient and innovative service to the public.

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competition from multichannel media.”); NBC Comments at 3.

<sup>6</sup> LSOC Comments at 72.

<sup>7</sup> Id.

<sup>8</sup> Id. at 75.

III.  
Conclusion

For the reasons expressed herein, Lockwood believes the Commission's multiple ownership rules should be amended to (1) adopt a DMA standard for the relevant television market; (2) allow waivers of the duopoly prohibition for UHF combination stations in the same market as well as VHF combinations in exceptional circumstances; and (3) grandfather existing LMA agreements and to allow the transfer of the same.

Respectfully submitted,

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